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NEWS RELEASE

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CONGRESS HELPS RETAIN ACCESS TO HEALTHCARE FOR SENIORS, CHILDREN

Enacts legislation to increase Medicare reimbursements, extend SCHIP

WASHINGTON, D.C. – The Senate approved legislation today that provides a number of temporary fixes to Medicare and the State Children's Health Insurance Program (SCHIP). They serve to retain valuable access to healthcare for low-income and older Americans, especially in rural areas.

Idaho Senator Larry Craig supported the legislation. A major provision of the legislation provides for a .5 percent increase in Medicare reimbursement rates through June 2008. This increase will replace the scheduled 10.1 percent decrease. Craig stated, **"Medicare needs to provide adequate reimbursement to medical providers or we won't have anyone to treat Medicare patients. This is especially true in rural areas, where doctors are already in short supply."**

Additionally, the legislation extends the 5 percent bonus payment for physicians practicing in physician shortage areas, the reasonable cost reimbursement for clinical lab tests performed by certain small, rural hospitals, and the geographic floor adjustment that benefits physicians practicing in rural areas. The legislation also keeps the Medicare patient threshold at 60 percent for inpatient rehabilitation facilities to qualify for Medicare reimbursement. This change ensures that Medicare beneficiaries will have access to the rehabilitation services they need.

Craig emphasized the value of these provisions for rural America, **"Coming from rural Idaho, I empathize with the shortage of health care services in rural America. Access is even tighter when you rely on Medicare, which is why it is all the more important to compensate medical providers with the higher costs of operating in rural areas."**

Finally, the legislation extends SCHIP through March 2009. The program provides health insurance to uninsured, low-income children. Attempts were made earlier in the year to reauthorize the program, but cavernous differences in the proposals of the two parties resulted in gridlock. Craig said, **"SCHIP provides a safety-net for our most vulnerable citizens – low-income children. Earlier this year, Democrats proposed ballooning the program to cover children from families with incomes well above the poverty level and to cover childless adults. It was de facto national health insurance plan and just plain bad policy. I am pleased that we were able to ensure that needy children will still receive health insurance without having to pass an irresponsible expansion of the program."**

While Craig praised the bill, he emphasized that there is still work to be done. **"This bill is still a band-aid on a tumor. In the next year Congress is going to have to make some tough decisions to address both the skyrocketing costs of Medicare and the need to implement long-term policies that ensure continued access."** The bill is expected to be signed by the President.